Our system is not a failure. The dramatic decline in deaths from heart disease is salient evidence for the phenomenal success of technologically advanced American medical care for those who can afford it. Our problem is a failure of distribution, a failure to extend care to all of those who need it and a failure to recognize the importance of applying scientific rigor to the problems of broad-based health care delivery. If state-of-the-art American medicine were offered to our citizens in a comprehensive way, our levels of public health would be unexcelled.

Like education (also, in important ways, not a business), the public health is a national investment and a crucial one. Could we justify a ''privatized'' educational system that denied access to slower learners unable to pay—i.e., the children who need help the most? When you consider that we spend more on leisure than on health care (22 percent more just on recreation, restaurant meals, tobacco and foreign travel), is the percentage of the GNP we spend on health care really so inappropriate?

The failure in distribution of health care is the product of our tacit acquiescence in the notion that health care access rightly depends on ability to pay. This idea has become, for many, a point of philosophical and ideological zeal.

It is long past time we acknowledged that broad-based access to health care will be an exceedingly expensive proposition. We must rid ourselves of the delusion that it is a business, like any other business.

The problem can be fixed. Forming a public consensus on this matter is a mighty and politically perilous challenge, requiring leadership and the courage to state that adequate health care is an appropriate goal for this country and a vital national investment. These are, indeed, treacherous waters. Can we get away from the clichés about ''socialized medicine'' and the hackneyed references to overly bureaucratized, centralized, inefficient postwar European health systems?

As world leaders in science, business and organizational management, we are capable of something new. We should maintain our commitment to the advancement of biomedical science for the public good and couple it with the management skills that have created our vibrant, competitive economy, and apply both in creating a national policy of investment in health.

John C. Baldwin is vice president for health affairs at Dartmouth College and dean of its medical school. C. Everett Koop is senior scholar at the Koop Institute there and a former U.S. surgeon general.

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 6, 1999

Mr. BECERRA. Mr. Speaker, due to a commitment in my district on Wednesday, May 5, 1999, I was unable to cast my floor vote on rollcall numbers 108 through 115. The votes I missed include rollcall vote 108 on Approving the Journal; rollcall vote 109 on Ordering the Previous Question; rollcall vote 110 on the Hyde amendment to H.R. 833, the Bankruptcy Reform Act; rollcall vote 111 on the Moran amendment to H.R. 833; rollcall vote 112 on the Conyers amendment to H.R. 833; rollcall vote 113 on the Watt amendment to H.R. 833; rollcall vote 114 on the Nadler substitute amendment to H.R. 833; and rollcall vote 115 on passage of H.R. 833.

Had I been present for the preceding votes, I would have voted ''yes'' on rollcall votes 108, 110, 111, 112, 113, and 114. I would have voted ''no'' on rollcall votes 109 and 115.

PRIVATIZATION: THE WRONG PRESCRIPTION FOR MEDICARE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 6, 1999

Mr. STARK. Mr. Speaker, several Members have touted the idea that Medicare should be turned over to the private sector. Although they say that privatization will save the program, their true motivation is to irreparably damage Medicare to the point that there is nothing left to salvage. In the words of former speaker Newt Gingrich, they want Medicare to ''wither on the vine.''

Republicans have always intended to destroy Medicare. While they have found new ways to disguise their message over the years, their intention remains the same: get government out of health care no matter what the cost. ''Privatization'' is just another one of their ploys.

The truth is that the private sector cannot provide high quality health services to disabled and elderly Americans. Especially not at a lower cost.

Medicare was originally created to fill in the gap of health insurance coverage for older Americans, and later the disabled. Before Medicare, the private sector either refused to provide insurance coverage to the elderly, or made the coverage so expensive that seniors could not afford to pay the premiums. Lack of health coverage meant having to pay for health care out of their limited retirement incomes. This left many elderly poverty stricken.

Today the health coverage problem for older Americans is getting worse, not better. The fastest growing number of uninsured are people age 55–62, an even younger group than when Medicare was first established. Rather than extending coverage to this uninsurable group, Republicans insist on doing nothing, even though the President's Medicare early-buy proposal would have cost nothing.

Why should we believe that private sector insurers will put their financial interests aside and compete to provide coverage for an older, sicker population when evidence suggests that they will not? Especially as costs for the chronically ill continue to rise.

Republicans have also claimed that the private sector will save money for Medicare. This is simply not true. Over the past thirty years, Medicare's costs have mirrored those of FEHBP and the private sector, even though Medicare covers an older, sicker population. Recent evidence shows that private sector costs are now rising faster than Medicare's.

Last fall Medicare+Choice plans abandoned 400,000 Medicare beneficiaries claiming that the Medicare rates were too low to cover this population. This suggest that health plans will charge ever more than we currently pay them, not less.

Privatizing Medicare will not improve quality, either. Paul Ellwood, the ''father of managed care,'' recently stated that the private sector is incapable of improving quality or correcting for the extreme variation in health services across the country and that government intervention is necessary and inevitable. In his words, ''Market forces will never work to improve quality, nor will voluntary efforts by doctors and health plans. . . . Ultimately this thing is going to require government intervention.'' Why would we want to encourage more people to enroll in private health plans given the managed care abuses igniting the Patient's Bill of Rights debate?

Medicare is the primary payer for the oldest elderly, chronically ill, disabled, and ESRD patients—all very complex and expensive groups to care for. Private managed care plans, which primarily control costs by restricting access to providers and services, simply do not meet the health care needs of everyone in this population. For the most part, Medicare+Choice plans have enrolled only the healthiest beneficiaries, while avoiding those most in need of care. There is no way of knowing whether or not private health plans are able to provide quality care to the sickest population.

Medicare beneficiaries will have significant difficulties making decisions in a market-based system. This is potentially the most disastrous consequence of moving to a fully privatized Medicare program. Many Medicare beneficiaries are cognitively impaired. Thirty percent of Medicare beneficiaries currently enrolled in managed care plans have low health literacy. That is they have difficulty understanding simple health information such as appointment slips and prescription labels. Now we're discovered that health plans often fail to provide critical information to potential enrollees. How can we expect senior citizens and the disabled to participate as empowered consumers in a free-market health care system, especially without essential information?

Medicare reform cannot be based solely on private sector involvement. More than 11 million Medicare beneficiaries—30% of the population—live in areas where private health plans are not available, and because of the limited number of providers probably never will be available. A comprehensive, viable, nationally-based fee-for-service program must be maintained for people who either cannot afford to limit their access to services in private managed care plans, or who are incapable of participating in a free market environment.

Unfortunately the debate surrounding privatizing Medicare is grounded in ideology, not fact. While I understand the need to improve and expand the choices available to Medicare beneficiaries—the Medicare+Choice program was created in recognition of this—we also have an obligation to preserve the promise of guaranteed, affordable health insurance for the people who need it most. The private sector is not a panacea for our problems. Historical experience proves that alternative solutions are necessary for our elderly and disabled citizens. Before we move to an entirely new system, we should attempt to improve the existing infrastructure, one that has served elderly and disabled citizens effectively for over thirty years.